From: Sweeney, Stephen

To: Hall, Lynda; Psyk, Christine; Joelle Gore - NOAA Federal

CC: Waye, Don

Sent: 5/21/2014 10:55:47 AM

Subject: RE: Response to the question of possible 30% reduction

Ex. 5 - Attorney Client

From: Hall, Lynda

Sent: Wednesday, May 21, 2014 10:45 AM

To: Sweeney, Stephen; Psyk, Christine; Joelle Gore - NOAA Federal

Cc: Waye, Don

Subject: RE: Response to the question of possible 30% reduction

Ex. 5 - Deliberative

From: Sweeney, Stephen

Sent: Wednesday, May 21, 2014 9:12 AM

To: Psyk, Christine; Hall, Lynda; Joelle Gore - NOAA Federal **Subject:** RE: Response to the question of possible 30% reduction

Ex. 5 - Attorney Client

From: Psyk, Christine

Sent: Tuesday, May 20, 2014 7:01 PM **To:** Hall, Lynda; Joelle Gore - NOAA Federal

Cc: Sweeney, Stephen

Subject: FW: Response to the question of possible 30% reduction

Ex. 5 - Deliberative

Thanks much.

Christine Psyk

Associate Director, R10 OWW

ED463-000007988 EPA-6822_036445

psyk.christine@epa.gov

From: TARNOW Karen E [mailto:TARNOW.Karen@deg.state.or.us]

Sent: Tuesday, May 20, 2014 3:48 PM

To: Psyk, Christine

Cc: FOSTER Eugene P; ALDRICH Greg; HICKMAN Jane; WIGAL Jennifer; COUTU Adam

Subject: RE: Response to the question of possible 30% reduction

Hi Christine – thanks for the response. I just wanted to check to be sure you are absolutely certain about that, because that's not how our AG read the statute and that's not what we've been saying for the last five months. I'm not saying our AG is always right or anything like that – I just want to be sure that if we change our message, we can say so based upon new and definitive info from EPA. Thanks!

Karen

From: COUTU Adam

Sent: Tuesday, May 20, 2014 3:45 PM

To: WIGAL Jennifer; HICKMAN Jane; TARNOW Karen E; ALDRICH Greg

Cc: FOSTER Eugene P

Subject: FW: Response to the question of possible 30% reduction

From Christine Psyk. She said our 319 award would be reduced 30% from what we would normally receive and would not be compounded as we've been assuming.

Adam Coutu
Operations and Policy Analyst
Office of Policy and Analysis
Oregon Department of Environmental Quality
(503) 229-6602
coutu.adam@deq.state.or.us

From: Psyk, Christine [mailto:Psyk.Christine@epa.gov]

Sent: Tuesday, May 20, 2014 2:46 PM

To: COUTU Adam; Salter, Joel

Cc: FOSTER Eugene P

Subject: RE: Response to the question of possible 30% reduction

Adam, the first example is the correct interpretation.

Christine Psyk

Associate Director, R10 OWW

206-553-1906

psyk.christine@epa.gov

From: COUTU Adam [mailto:COUTU.Adam@deq.state.or.us]

Sent: Tuesday, May 20, 2014 9:13 AM

To: Salter, Joel; Psyk, Christine

Cc: FOSTER Eugene P

Subject: RE: Response to the question of possible 30% reduction

Thank you, Joel and Christine.

So just to be absolutely clear, the reduction would look like this:

ED463-000007988 EPA-6822_036446

Fiscal Year Appropriation Award Notes

FY2014 2,105,000 2,105,000

FY2015 (est.) 2,105,000 1,473,500 Reduced 30% from FY2015 appropriation FY2016 (est.) 2,105,000 1,473,500 Reduced 30% from FY2016 appropriation

It would not look like this:

Fiscal Year Award Notes

FY2014 2,105,000

FY2015 (est.) 1,473,500 Reduced 30% from FY2014 award FY2016 (est.) 1,031,450 Reduced 30% from FY2015 award

We are working on contingency planning for our 2015-17 budget, so we want to make sure we fully and accurately understand the potential impact.

Thank you,

Adam Coutu
Operations and Policy Analyst
Office of Policy and Analysis
Oregon Department of Environmental Quality
(503) 229-6602
coutu.adam@deq.state.or.us

From: Salter, Joel [mailto:Salter.Joel@epa.gov]

Sent: Tuesday, May 20, 2014 9:05 AM **To:** FOSTER Eugene P; COUTU Adam

Cc: PSYK Christine

Subject: Response to the question of possible 30% reduction

Hello Gene and Adam, here is a response from Ms. Christine Psyk to the question of compounding the 30% on a yearly basis: "On the CZARA penalties, . . ., the penalty does not compound. So, the penalty would apply at 30% rate in a fixed fashion to whatever the grant award amount is based on any given year's appropriation."

I understand that discussions are still underway with NWEA regarding the new schedule for an EPA decision. More to come on that.

Joel Salter, Oregon Water Programs coordinator US EPA Region 10, Oregon operations office 805 SW Broadway, Suite 500 Portland OR 97205

503-326-2653

ED463-00007988 EPA-6822_036447